



# Department of Justice

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FOR IMMEDIATE RELEASE  
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**CONNECTICUT DAIRY COMPANY CHARGED WITH  
BID RIGGING ON SCHOOL DAIRY CONTRACTS**

WASHINGTON, D.C. -- Connecticut public schools have been added to a nationwide list of school districts victimized by bid rigging in the dairy industry.

The Justice Department's Antitrust Division said in court papers filed today that Maple Hill Farms Inc. of Bloomfield, Connecticut, participated in a bid rigging conspiracy involving the sale of dairy products to central Connecticut schools from at least 1980 to June 1991.

Maple Hill Farms is the 59th corporation charged in the Department's ongoing 21-state investigation of the milk industry. So far, 52 corporations and 50 individuals have been convicted. Twenty-six individuals have gone to jail.

The Department, in a one-count felony charge filed in U.S. District Court in New Haven, Connecticut, said Maple Hill Farms and others discussed the submission of prospective bids for school dairy contracts and designated among themselves which company would be the low bidder on each contract.

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The Department further charged that Maple Hill Farms, in carrying out the conspiracy, submitted intentionally high or complementary bids on contracts in order to assist the other conspirators in obtaining school dairy contracts.

Assistant Attorney General Anne K. Bingaman in charge of the Antitrust Division said this is the first milk case to be brought as a result of a grand jury investigation in Connecticut into suspected bid rigging in the dairy products industry.

The investigation, which is continuing, is being conducted by the Division's New York Field Office with the assistance of the North Atlantic Region of the Office of the Inspector General, U.S. Department of Agriculture and the cooperation of the Office of Connecticut's Attorney General, Richard Blumenthal.

To date 52 corporations and 50 individuals have been convicted and a total of approximately \$47.5 million in fines imposed in cases involving the supply of dairy products to public school districts. Some 26 individuals have been sentenced to serve a total of 4,684 days in jail--an average of approximately six months imprisonment. Civil damages total more than \$8 million. Thirty-one grand juries in 21 states continue to investigate the milk industry.

The maximum penalty for corporation convicted under the Sherman Act for a violation occurring after November 16, 1990, is fine not to exceed the greatest of \$10 million, twice the

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pecuniary gain derived from the crime, or twice the pecuniary loss caused to the victims of the crime.

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